

# 2026 California Public Utilities: Annual Update

Senate Energy, Utilities and Communications

March 3, 2026

*John Reynolds, President CPUC*

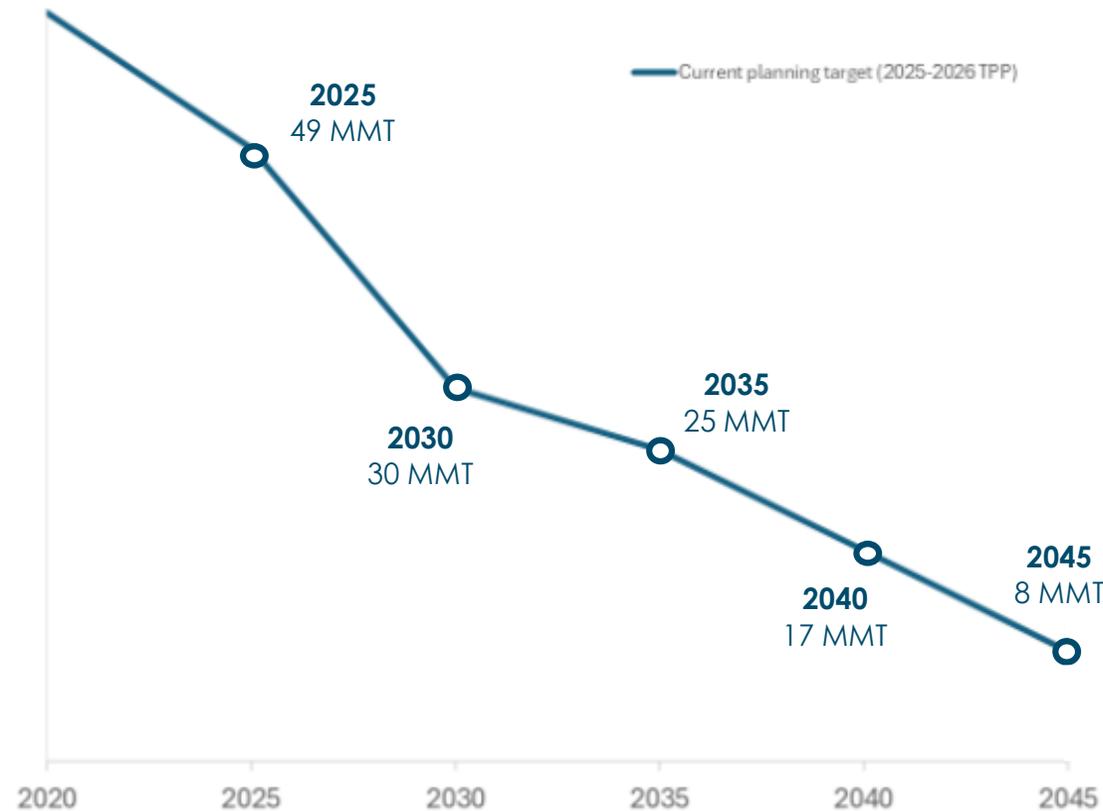


California Public  
Utilities Commission

# CPUC System Planning GHG Targets

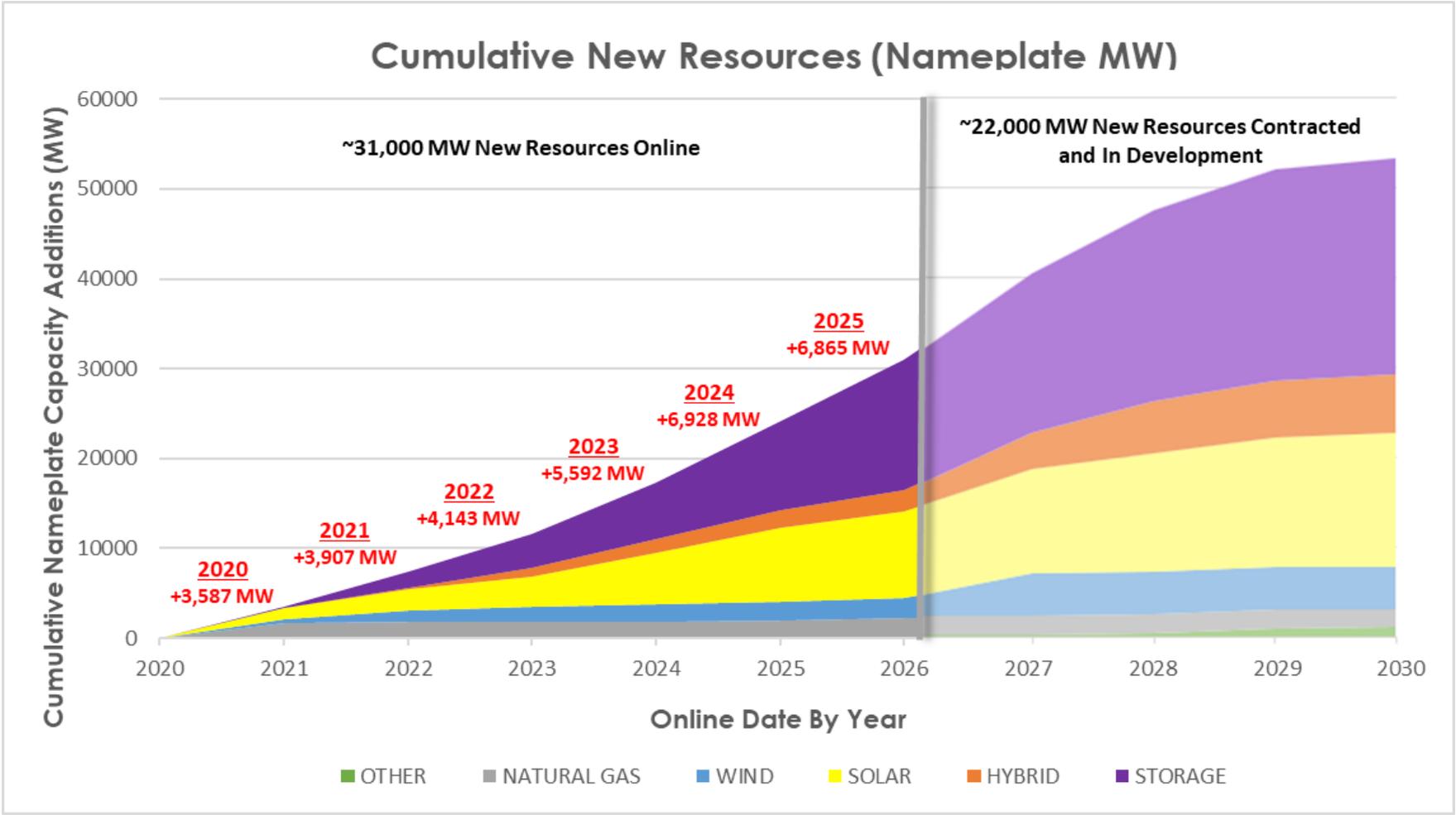
## CA-wide GHG Emissions Planning Target

million metric tons



- The Scoping Plan guides these GHG targets.
- The electric sector's carbon-intensity has declined 45% since 2000.
- Modeling from the last adopted portfolio indicates that by 2040 natural gas usage will decrease by 88% percent as compared to 2020 natural gas usage in the CAISO.

# Total New Energy Resources Online and Under Contract



**Note:** Data shown here shows a snapshot of new resources added to CAISO grid Q1 2020 – Q1 2026, including specified CAISO imports. Also shown is a projection of future new resources based on contracts in place by January 2026. "Other" resources includes geothermal, biomass, biogas, and hydropower.

# Financial Oversight & Return on Equity



## Markets

- Grounded in market-based competition for capital



## Setting Authorized Returns

- Transparent, publicly-accessible Cost of Capital proceedings
- Evidence-driven ROE determinations



## Ensuring Accountability

- Returns are authorized, not guaranteed
- Disallowances for imprudent spending
- Ongoing audits, reporting, and compliance

# Affordability & Cost Discipline



General Rate Case  
Pre-Approval



Wildfire Mitigation Cost Scrutiny



Transmission Cost Oversight and  
FERC Advocacy



Recent Legislative direction +  
active affordability-focused  
proceedings